

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2007-132-C - ORDER NO. 2007-441
JULY 3, 2007

IN RE:	Joint Application of Time Warner Telecom)	ORDER APPROVING
	of South Carolina, LLC; Xspedius)	ASSET TRANSFER AND
	Management Company of Charleston, LLC;)	CORPORATE INTERNAL
	Xspedius Management Company of)	RESTRUCTURING
	Spartanburg, LLC; Xspedius Management)	
	Company of Columbia, LLC; Xspedius)	
	Management Company of Greenville, LLC;)	
	and Xspedius Management Company)	
	Switched Services, LLC for Approval to)	
	Transfer Assets, Corporate Internal)	
	Restructuring, and for Name Change)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Joint Application of Time Warner Telecom of South Carolina, LLC (Time Warner), Xspedius Management Company of Charleston, LLC, Xspedius Management Company of Spartanburg, LLC, Xspedius Management Company of Columbia, LLC, Xspedius Management Company of Greenville, LLC, Xspedius Management Company Switched Services, LLC (the Xspedius Companies) (together, the Joint Applicants) for approval to transfer assets, corporate internal restructuring, and for a name change.

Pursuant to the instructions of the Commission's Docketing Department, the Joint Applicants published a Notice of Filing in newspapers of general circulation in the areas affected by the Application. The Joint Applicants filed proof of publication in compliance

with the instructions of the Docketing Department. No Protests or Petitions to Intervene were received. The Joint Applicants then moved for expedited review of the Joint Application and filed the verified testimony of Carolyn Ridley, Vice President Regulatory Affairs, Southeast Region on behalf of Time Warner Telecom of South Carolina, LLC. We grant expedited review of the Joint Application, and, based on Ms. Ridley's testimony, approve the Application, with modifications.

Ms. Ridley's testimony describes the proposed transaction whereby Time Warner will be assigned, as part of an internal restructuring, certain assets, including the customer base, of the Xspedius Companies. Last year, Xspedius Communications, LLC, which is the parent company of the Xspedius Companies, and Time Warner Telecom, Inc., parent company of Time Warner Telecom of South Carolina, LLC, merged. As a result, Xspedius Communications became a direct wholly owned subsidiary of Time Warner Telecom, Inc. Time Warner Telecom, Inc. now intends to consolidate its operations, and the Joint Applicants seek approval to transfer the assets and operations from the Xspedius Companies to Time Warner Telecom of South Carolina, LLC. Time Warner Telecom, Inc. would remain the corporate parent with one operating subsidiary in South Carolina, Time Warner Telecom of South Carolina, LLC.

Further, Ms. Ridley notes that Time Warner will obtain the customer base and all telecommunications assets and operations of the Xspedius Companies in the State of South Carolina. Time Warner will provide service to current Time Warner customers and to customers of the Xspedius Companies. According to Ms. Ridley, the transaction will be virtually transparent to the Xspedius Companies' customers in terms of the services

that they receive. Ms. Ridley also notes that the merger will not adversely affect any carrier's ability to recover any amounts that are legitimately owed to it pursuant to interconnection agreements with other carriers.

In addition, Time Warner will provide written notice to the affected customers at least thirty (30) days prior to the transfer, informing them of the transaction and giving them an opportunity to switch to another service provider. Also, Time Warner will file a revised tariff to establish rates, terms, and conditions identical to those in the Xspedius Companies' tariffs. Customer contracts with the Xspedius Companies will be fully honored by Time Warner. Ms. Ridley notes further that once the transfer of the Xspedius Companies' customers to Time Warner is complete, the certificates of public convenience and necessity of the Xspedius Companies can be cancelled by this Commission.

Ms. Ridley states that the merged entity will continue to support the State Universal Service Fund, Interim LEC Fund, and will comply with all other regulatory and reporting requirements. Until the proposed transaction is consummated, the Xspedius Companies will file separate reports as required by the Commission's regulations. Once the transaction is complete, Time Warner will file the required reports consolidating and combining the information for Time Warner and the Xspedius Companies.

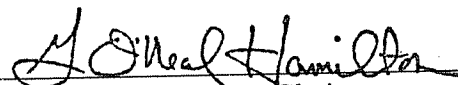
With regard to the proposed name change, Time Warner requested on May 4, 2007 that the request for approval of the name change be withdrawn. We grant this request.

Ms. Ridley testified that the consolidation of the operations of the subsidiary companies will enable Time Warner to operate more efficiently and effectively, while reducing legal, accounting, and tax administrative burdens. It will also decrease the administrative oversight burden imposed on the Office of Regulatory Staff and the Commission by decreasing the number of certified carriers. Further, Ms. Ridley noted that Time Warner is fully qualified to provide the same high quality services to the Xspedius Companies' customers at the same prices, and that the transfer will be transparent. Also, Time Warner will realize significant economies of scale, thereby allowing Time Warner to introduce new products and services in South Carolina over time.

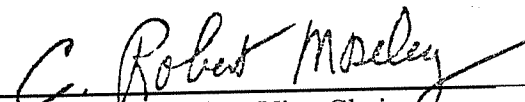
We have examined the testimony and the entire record of this case, and we approve the Application as modified. Clearly, the merger will allow Time Warner to operate more efficiently and effectively, while reducing various administrative burdens. It also appears that the customers of the Xspedius Companies will be properly notified and given an opportunity to switch carriers if that is their desire. Otherwise, it appears that the merger will be largely transparent to those customers. All things considered, we believe that approval of the Application is in the public interest, and we so approve it as modified.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


G. O'Neal Hamilton, Chairman

ATTEST:


C. Robert Moseley, Vice Chairman

(SEAL)